

BEFORE THE FEDERAL ELECTION COMMISSION

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2006 MAY 10 P 5:00

In the Matter of)

Jim Feldkamp, Jim Feldkamp for)
Congress, Patricia Siegmund,)
Treasurer)

MUR 5724

2006 MAY 10 P 4:38
FEDERAL ELECTION
COMMISSION
OPERATIONS CENTER

RESPONDENTS' INITIAL RESPONSE TO THE COMPLAINT

By and through the undersigned counsel, Jim Feldkamp and Feldkamp for Congress, Patricia Siegmund as Treasurer (hereinafter "Respondents"), hereby respond to the complaint filed against them by the Democratic Party of Oregon.

I. BACKGROUND

The complaint is nothing more than an incoherent attempt by the Democrats to score cheap political points at the expense of Republican candidate Jim Feldkamp, and get a quick headline for partisan advantage. After all, the Democrats managed to place a news story on the complaint that ran March 23, 2006, almost a week before the complaint was actually filed on March 28, 2006. See "Feldkamp Faces New Election Complaint," *The Register-Guard* (March 23, 2006). It is not surprising, then, that the political complaint is incoherent, and takes issue with loans the candidate made to his campaign last election cycle, inferring that perhaps the candidate lacked sufficient personal resources to make the loans, while at the same time ignoring publicly-available information that demonstrates the candidate's significant assets. Ultimately, the complaint fails to allege a violation of either the Federal Election Campaign Act or Commission regulations. Accordingly, we respectfully request that the complaint be dismissed.

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II. ANALYSIS

A. Mr. Feldkamp has significant personal assets.

The main thrust of the complaint is that Mr. Feldkamp lacked "adequate personal funds" to make loans to his campaign. This is not true – the funds loaned by Mr. Feldkamp to his campaign were his own "personal funds." The complaint throws around a variety of numbers in its efforts to create the appearance of a violation, but fails to omit the critical fact: that according to his already-filed, publicly-available personal financial disclosure statements, Mr. Feldkamp, has assets worth somewhere between \$1,140,000 and \$5,400,050 – certainly, amounts that dwarf the \$77,500 of which the Democrats complain. Included in these assets are publicly-traded stocks, such as Cisco Systems, General Electric, McDonald's, Pfizer, Sun Microsystems and Walmart. He owns property, has a thrift savings plan, and has drawn a salary from a variety of jobs, including his salary for his service in the Federal Bureau of Investigation and the U.S. Naval Reserves. Ultimately, there can be no dispute that Mr. Feldkamp had sufficient personal funds.

B. The complaint fails to allege any sort of improper conduct.

Nor does the complaint fare any better with its vague reference to Mr. Feldkamp's mother, perhaps inferring something improper about gifts made by her to her son. The complaint does not provide the sort of detail necessary to warrant a finding of Reason to Believe – critically, there is no accusation that any gift was made with the intent to influence a federal election. And there is no analysis that would create any sort of inference that any gift was made to influence the election of Mr. Feldkamp: no detail provided regarding the circumstances surrounding any particular gift, whether it be

specifics on timing, amount or form. In short, there is nothing in the complaint that would suggest any gift was made with the purpose of influencing the candidate's election.

C. Any gifts received by the candidate were personal, and were customarily given in years prior to his candidacy.

Nonetheless, and although the failure of the Oregon Democratic Party to allege specifics ought to warrant dismissal of the complaint outright, Respondents can nonetheless affirmatively demonstrate that any gifts given to Mr. Feldkamp by his mother were part of a long-standing pattern of giving, and such gifts were customarily given in years prior to Mr. Feldkamp's candidacy, thus coming squarely within the Commission's previous guidance on the issue. See AO 1988-7. Specifically, Mr. Feldkamp has received numerous gifts, both in the form of cash and stocks, from his mother for at least fifteen years for events such as his birthday or Valentine's Day, or larger so-called lifetime gifts. All told, over the past fifteen years, Mr. Feldkamp's mother has given her son at least \$364,629.83. Gifts have included the following:

7/1/1990	Stock	\$8,296.50
3/15/1991	Stock	\$10,000.00
4/1/91	1% share of business	\$10,000.00
5/20/1993	Stock	\$182,895.00
2/14/1994	Cash	\$10,000.00
2/14/1995	Cash	\$10,000.00
5/2/1996	Cash	\$10,000.00
12/24/1996	Cash	\$25,438.33
7/8/1998	Cash	\$10,000.00
2/9/2000	Cash	\$10,000.00
1/29/2001	Cash	\$10,000.00
8/2/2001	Cash	\$15,000.00
2/5/2002	Cash	\$10,000.00
2/14/2003	Cash	\$10,000.00
2/14/2004	Cash	\$11,000.00
1/26/2005	Cash	\$11,000.00
4/3/2006	Cash	\$11,000.00

Ultimately, the Commission has declined to pursue matters where respondents have a demonstrated pattern of giving among family members, and it ought to do the same here. For example, in MUR 5321 (Minnesotans for Janet Robert), the Commission dismissed a matter involving Democrat candidate Janet Robert, who had received \$800,000 from her mother during the critical period leading up to the general election. The candidate loaned her campaign \$811,219, which apparently was used to finance a large media buy (when the campaign would have otherwise had only about \$180,000). Even on the facts in MUR 5321, the Commission dismissed the matter, due at least in part to Robert's past pattern of giving. This warrants the same treatment afforded to Democrat Janet Robert, namely dismissal. As Commissioner Mason stated:

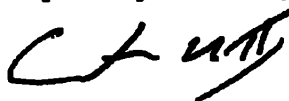
I appreciate Commissioner MacDonald's sympathy and support for what he may view as my tardy conversion to the "sauce for the goose is sauce for the gander" philosophy of enforcement. . . . If the Commission cannot muster a consensus to treat intra-family fund transfers as significant, then I will have no choice but to join my colleagues who argue, in essence, that the corruption potential of such transfers is so insignificant as to make penalties for them unnecessary.

Statement of Reasons of Commissioner David M. Mason, MUR 5321, at 9.

III. CONCLUSION

Respondents respectfully request that this matter be dismissed.

Respectfully submitted,



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